



CALIFORNIA WORKFORCE INVESTMENT BOARD MEETING NOTICE

**August 17, 2010
1:00 p.m. to 4:00 p.m.**

**California State University Sacramento
Alumni Center
Sacramento, CA 95819**



Arnold
Schwarzenegger
Governor

Barbara Halsey
Director

This meeting will be audio-cast and can be accessed [here](#).

AGENDA

- 1. Welcome and Opening Remarks**
- 2. Update – Labor and Workforce Development Agency Report**
- 3. Update – Executive Director's Report**
- 4. Action**
 - a. Approval of May 19, 2010 State Board Meeting Summary
 - b. Approval of Annual Report for Program Year 2009-2010
 - c. Ratification of the Chairman's creation of the Health Workforce Council as a State Board Special Committee
 - d. Receive the reports and approve recommendations of the Board's Special Committees
 1. Green Collar Jobs Council
Hear and accept the report of the Council
 2. Issues and Policy Committee
Hear and accept the report and recommendations of the Committee on the Eligible Training Provider Waiver Request and the Incumbent Worker Training Waiver Policy
- 5. Information Presentation – Information and Communications Technology Digital Literacy Action Plan**
 - *Mr. Bill Maile*, Director of Communications, Office of the State Chief Information Officer
 - *Ms. Sunne Mc Peak*, President and CEO, California Emerging Technology Fund
- 6. Public Comment**
- 7. Other Business**

Meeting conclusion time is an estimate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn. In order for the State Board to provide an opportunity for interested parties to speak at the public meetings, public comment may be limited. Written comments provided to the Committee must be made available to the public, in compliance with the Bagley-Keene Open Meeting Act, §11125.1, with copies available in sufficient supply. Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least ten days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.cwib.ca.gov> or contact Daniel Patterson for additional information. Meeting materials for the public will be available at the meeting location.

- 1. Welcome and Opening Remarks**
- 2. Update: Labor and Workforce Development Agency Report**
- 3. Update: Executive Director's Report**

Action:

- a) Approval of May 19, 2010 State Board Meeting Summary**
- b) Approval of Annual Report for Program Year 2009-2010**
- c) Ratification of the Chairman's creation of the Health Workforce Council as State Board Special Committee**
- d) Receive the reports and approve recommendations of the State Board's Special Committees**
 - 1. Green Collar Jobs Council, Barry Sedlik, Chair**
Hear and accept the report of the Council
 - 2. Issues and Policy Committee, Victor Franco, Vice Chair**
Hear and accept the report and recommendations of the Committee on the Eligible Training Provider Waiver Request and the Incumbent Worker Training Policy

**California Workforce Investment Board
Meeting Summary
Wednesday, May 19, 2010**

The California Workforce Investment Board meeting was held from 9:30am to 12:30pm at the Holiday Inn Capitol Plaza in Sacramento, CA. The following members were present:

Secretary Victoria Bradshaw	Ed Munoz
Jamil Dada, Acting Chair	Patrick Ainsworth for Jack O'Connell
Kenneth Burt	Pete Parra
Daniel Enz for Wilmer Amina Carter	Stella Premo
Alma Perez for Senator Desaulnier	Tim Rainey for Art Pulaski
Larry Fortune	Richard Rubin
Victor Franco	Jose Millan for Jack Scott
Dennis Petrie for Patrick Henning	Audrey Taylor
Kathleen Milnes	Willie Washington
S McKinnley for Assemblymember Swanson	Elvin Moon

The acting Chair Jamil Dada thanked attendees for coming. Mentions additional members coming and Board will be more efficient.

Updates:

Labor and Workforce Development Agency

Secretary Bradshaw stated that the Labor and Workforce Development Agency is taking on a new grant process. A solicitation of intent for a business-lead coalition to put together statewide partnerships for solar, wind, etc will be coming out in a week. Applicants will be asked to state how the unemployed will move into employment now and into the future. The partnerships will include local boards, community colleges and be business driven. We want to know where the jobs are and what's needed to get them there. Applicants will have 60 days to put together a plan. Labor Agency is willing to fund up to \$4 million for each grant and there will be approval and identification of projects by the end of June.

Our training system needs to be more responsive. California has a 15 year window with foreign companies wanting to manufacture green in California. We get sixty percent of venture capital now. We need to plan now and for the future to maintain California's competitive edge. She further stated that the focus has been on initiatives like solar installation and weatherization but 20 percent of it is manufacturing and California needs to expand manufacturing. Mr. Parra asked that we look at best practices and that board member receive a copy of the grant request.

Executive Director

Ms. Halsey announced a \$6 million grant award received by the state under a federal request for proposal for State Energy Sector Partnerships (SESP) and provided some

background on the direction and effort behind these grants. The State Board has also launched the Regional Industry Clusters of Opportunity grants (RICOG) and is working with 10 grantees. The RICOG takes the work of the Economy Strategy Panel and operationalizes it. The teams are focused on healthcare and information technology, and green economy and how it develops in particular regions of the state. Seven focused on green, three on healthcare and IT. These grants require broad partnerships, but most important are the businesses that the partnerships are targeting.

Ms. Halsey also provided details of the ongoing work with the Clean Energy Workforce Training Program (CEWTP) grants and the partnership with the California Energy Commission.

Green Collar Jobs Council

Mr. Dada provided an update from activities in Washington. He also included an update on the Green Collar Jobs Council meeting held on May 18, 2010. The Committee discussed the One Page Business Plan and provided more concrete recommendations to staff on how to further develop it.

Issues and Policy Committee

Mr. Munoz gave an update on the Issues and Policy Committee meeting that was held on May 18, 2010, including a brief introduction to the Committee's four action items that are included in the agenda. Some of the ongoing work is the development of a dashboard to track funding, and to measure our progress against our goals.

Ms. Bradshaw asked if there be a reporting back to the board as to the status of full funding of the program. It would also be helpful, since this is a statewide board to look at industries that are growing statewide. A member responded by stating that it is exactly what the direction to staff is and the use of the dashboard will provide this information. A member also said that it would be important to look at other industries; she mentioned transportation or logistics, to see how we might target funding to those industries.

Item 7 – Information Presentation:

State of the Economy – Howard Roth, Chief Economist, California Department of Finance

Copies of the full PowerPoint presentation are available on the State Board website at www.cwib.ca.gov.

Item 6a – Update: Health Care Reform Task Force

Director of Office of Statewide Health Planning and Development, Dr. David M. Carlisle.

Below are some of the highlights from her presentation

- Hospital construction is in the midst of the largest hospital expansion of hospital construction since the 1950's, estimated at \$125-150 billion.

- There are hundreds of project in California employing hundreds of construction workers at each site which will increase the number of employees at that hospital.
- The new health care reform law will increase demand for services and the correlating need for additional health care workers across the state.
- Governor Arnold Schwarzenegger has endorsed the federal health care reform and has convened a Task Force to implement health care reform in California.

Ms. Halsey added that they believe one of the first funding opportunities that will come from the Health Care Reform Act is a planning grant - \$8 million will be available to states for planning purposes. Staff is working with Secretary Belshé. Receiving the planning grant enables the state to apply for implementation grants that will become available in the future.

Item 6b – Update: WIA Formula Funding Allocations

Ms. Halsey announced that the document will be available on our website and provided a brief summary of the funding allocations document.

Item 5a. Approval of December 8, 2009 State Board Meeting Summary

Ms. Halsey stated that there have been some changes in the membership of the Board and are working with the Secretary to complete the nomination process. A motion was made to have the attendance in the minutes revised. Mr. Rubin makes a motion to approve the December 8, 2009 Meeting Summary. Ms. Taylor seconds the motion and the meeting summary is approved unanimously by all members.

Item 5b. Approval of Waiver to use Rapid Response Funding for Incumbent Worker Training

Ms. Halsey provided a brief explanation of the Waiver.

Mr. Parra makes a motion to approve the waiver, Mr. Rubin seconds the motion and the waiver is approved unanimously by all members.

Item 5c. Approval of Waiver to Permit up to 90 Percent Reimbursement for On-the-Job Training

Ms. Halsey provided a brief explanation of the Waiver. The federal government sees this as an opportunity for the workforce system to increase on the job training while also supporting the employers through their recovery period.

Mr. Moon makes a motion for approval, Mr. Rubin seconds the motion, and the waiver is approved unanimously by all members.

Item 5d. Approval of Incumbent Worker Definition

Ms. Halsey provided a brief explanation of the Waiver. The recommendation from the Issue and Policy Committee is to adopt a simple definition of the term Incumbent Worker as “an employee of the business applying for incumbent worker training in accordance with the Workforce Investment Act.”

There was some general discussion regarding the employee/employer relationship. Mr. Rubin makes a motion for approval, Mr. Moon seconds the motion, and the definition is approved unanimously by all members.

Item 5e. Approval of One-Stop Branding Workgroup Report

Ms. Halsey invited Loree Levy from the Employment Development Department to provide the report of the One-Stop Branding Workgroup. A copy of the PowerPoint presentation can be found at the State Board website at www.cwib.ca.gov.

Ms. Levey began by stating that the overall mission of the workgroup was to increase access through awareness to local One-Stop services. She provided a detailed summary of two recently completed surveys commissioned and conducted by three State Universities, San Francisco State, Fresno State, and Sacramento State.

Mr. Rubin made a motion to return this to the workgroup to explore further options and respond to the comments made today and bring it back to the Issues and Policy Committee for further review and subsequently to the State Board. Mr. Washington seconds the motion and the motion is unanimously agreed upon by all members.

Public Comment

No public comment was made.

Other Business

None

There were no further comments, meeting was adjourned.

**An Annual Report of the State's Workforce System and the Results Achieved
Under the Workforce Investment Act for Program Year 2009-10 (Annual Report):
*Paving the Road Back***

Action Requested: Staff seeks the State Board's approval of the Workforce Investment Act (WIA) 2009-10 Annual Report. This report is narrative component of the state's Annual Report, which is due to the US Department of Labor by October 1, 2010. The Board's approval will allow for the report to be cleared through Labor and Workforce Development Agency and submitted timely to the Department of Labor.

Background

Each state that receives an allotment under WIA Section 127 (youth activities) or Section 132 (Adult and Dislocated Worker Activities) is required to prepare and submit an Annual Report of performance progress to the Secretary of Labor in accordance with WIA Sections 136 and 185.

There are two components to the WIA Annual Report:

1. The required performance results, as specified by the US Department of Labor (DOL), Employment and Training Administration (ETA), which is submitted electronically by the California Employment Development Department.
2. A narrative report, which is being brought before the State Board for approval.

The Annual Report has been developed in accordance to DOL ETA Training and Guidance Letter NO. 14-00, Change 3.

Overview of the Annual Report

The 2009-2010 Program Year brought many challenges and opportunities for California's workforce investment system. From December 2007 to January 2010, California lost more than 1.3 million jobs, bringing the total number of jobs in the State down to March 1999 levels. From the fourth quarter of 2007 through the third quarter of 2009, only six states (Oregon, Georgia, Florida, Nevada, Michigan, and Arizona) had a higher percentage of job losses.

To address these challenges, California's WIA system made the best of numerous opportunities to provide training and support to thousands of Californians from many walks of life. Many of the training programs and supports that were made available were offered as a direct result of funding received under the American Recovery and Reinvestment Act of 2009 (ARRA). In response to extraordinary times the WIA system initiated and implemented programs targeting the unemployed, underemployed, new workforce entrants, at-risk youth, parolees, and veterans.

Efforts to support California's emerging green economy were connected to the state's workforce investment system as the vehicle through which the workforce needed to implement California's ambitious environmental goals for greenhouse gas reduction; energy efficiency and renewable energy generation; and alternative vehicles and fuels development could be addressed. The State Board's special committee, the Green Collar Jobs Council (the Council)- a multi-stakeholder partnership, was instrumental in facilitating discussions among new partners, identifying common goals and fostering the development of highly successful leveraged funding opportunities for clean energy training programs statewide.

Looking forward, the 2010-2011 Program Year will present further challenges to California's workforce investment system. At the top of this list is initiating planning for the implementation of federal healthcare reform through the Patient Protection and Affordable Care Act of 2010 (ACA). On April 29, 2010, Governor Arnold Schwarzenegger announced the formation of the Health Care Reform Task Force, signaling his commitment to insuring successful implementation of the ACA.¹ The ACA will bring many of California's 8.2 million uninsured persons into California's healthcare delivery system. Providing quality health care services to this expanded consumer base will further stretch an industry that is currently experiencing workforce shortages. California's Labor and Workforce Development Agency, the State Board, and California's Office of State Health Planning and Development are initiating partnerships with employers, education, labor organizations, and health philanthropic organizations to engage in planning activities that will lay the foundation for the statewide framework necessary to ensure the production and retention of a health workforce that will provide equitable health access to all. As with the Green Collar Jobs Council, the State Board will serve as home for the Health Workforce Development Council.

The effects of the national recession in California only served to elevate the importance of initiatives that have been priorities for this Administration since it took office. Initiatives aimed at helping at-risk youth find meaning through education and employment, supplying a well-trained workforce to industries with statewide needs, assisting the men and women of our military as they return home to family and to assume productive roles in the community, and removing barriers for the unemployed have all been supported through the funding from the Governor's Discretionary funds. These initiatives will remain priorities as the Administration moves forward with its funding priorities for 2010-2011.

¹ The Governor's announcement on his Health Care Reform Taskforce could be found on this webpage: <http://www.gov.ca.gov/speech/15034/>.

California Workforce Investment Board Health Workforce Development Council

Action Requested: The State Board ratify the action of the Board Chair establishing the Health Workforce Development Council as a Special Committee of the California Workforce Investment Board.

Background

The existing demand for health workers has stretched the capacity of California's workforce and educational systems for many years. The passage of the Patient Protection and Affordable Care Act (PPACA) of 2010 will place an even greater demand for these entities to increase the supply of a trained workforce for primary care services. The implementation of PPACA will bring a substantial proportion of California's 8.2 million uninsured persons into the state's healthcare delivery system beginning in 2014. In addition to current workforce shortages, serving the previously uninsured will require the providers of healthcare goods and services to hire additional personnel. In anticipation of the workforce needs resulting from healthcare reform, Title V of the PPACA includes a series of provisions – funding and policy – aimed at aiding the healthcare industry's transition into the new system.

Healthcare Reform Taskforce/Healthcare Workforce Workgroup

To focus the implementation of healthcare reform in California, Governor Arnold Schwarzenegger has created a Healthcare Reform Taskforce (Taskforce), led by Secretary Kim Belshé, Health and Human Services Agency (HHS). The Taskforce is comprised of Administration officials and agencies tasked with implementing the provisions of the Affordable Care Act. Within the Taskforce, there is the Healthcare Workforce Workgroup, which will focus on the training and workforce development provisions in Title V. Labor and Workforce Development Agency (LWDA), the Office of Statewide Health Planning and Development (OSHPD), and the California Workforce Investment Board (State Board) are members of the workgroup.

Affordable Care Act State Health Care Workforce Development Planning Grant

To support these efforts, the California Workforce Investment Board (State Board), in partnership with the California Office of Statewide Health Planning and Development (OSHPD), applied for the Affordable Care Act State Health Care Workforce Development Planning Grant (Planning Grant) via the Employment Development Department which has been designated by Governor Arnold Schwarzenegger as the fiscal and administrative agent for the State Board. The State Board requested a Planning Grant of \$150,000 to convene public and private health workforce and

education stakeholders to develop a comprehensive and coherent plan for health workforce development that guides future health workforce policy, planning and program priorities in California. A Planning Grant will lay the foundation for the statewide framework necessary to ensure the production and retention of a health workforce that will address the unique and diverse demographic and geographic challenges that could inhibit successful statewide implementation of the ACA.

The Planning Grant activities and requirements will be facilitated through the Health Workforce Development Council (Council). The Council will exist as a Special Committee under the State Board and work in collaboration with the Healthcare Workforce Workgroup to ensure the Council's efforts are consistent with and advance the objectives of the Governor's Health Care Reform Taskforce.

Purpose

The Council will be tasked with understanding the current and future workforce needs of the health industry and with developing a comprehensive strategy to prepare California's workforce to meet those needs. The Council will address health workforce development issues broadly through strategic actions at the state, regional, and local levels by understanding, assessing and acting on the training and education, skill development, and capacity and expansion needs of the Health Sector. The Council will provide a forum for broad stakeholder engagement by ensuring its public deliberations include the expertise and perspective of industry representatives, education, economic development, elected officials, the public workforce system,

Membership

Membership on the Council will be as follows:

- State Board Member
- Health Care Employer
- Philanthropic Organization
- Government – Regulatory
- Government -- Education
- Industry Association
- Statewide Organization
- Community Based Organization
- State Labor Federation
- Labor Organization
- Legislature

Leadership

Consistent with the State Board's bylaws, the Chair of the Council shall be a State Board member designated by Chairman of the State Board. The Vice Chair of the Committee shall be determined in consultation with the State Board Chair and Committee Chair.

Staff Support

Staff support shall be provided by California Workforce Investment Board and Office of Statewide Health Planning and Development staff members.

Decision Making

A majority of the Council members present will constitute a quorum. A majority vote of those present shall be necessary to approve actions.

Meetings

It is anticipated that the Council will meet every five to six week but that frequency may change.

Green Collar Jobs Council August 17, 2010

This report provides an update on the activities and results of the Green Collar Jobs Council (Council). The report outlines the issues and strategies the Council is pursuing.

Council Description

The Green Collar Jobs Act, signed into law by Governor Schwarzenegger on September 26, 2008, established the Council under the purview of the California Workforce Investment Board (State Board). The Green Collar Jobs Council is tasked with understanding the current and future workforce needs of the Green/Clean economy, developing a comprehensive strategy to prepare California's workforce to meet the needs of businesses supporting the economy and ensure that efforts aimed at improving worker's skills are coordinated and effective.

The Council's strategies and operating premise are documented in its ***One Page Business Plan*** and Premise Document: ***The Green Collar Jobs Council's Position on the Green Economy and Green Collar Jobs: A Foundation for Deliberation and Investment***, which were recently revised and adopted at its June 22, 2010 meeting. These documents are available on the State Board's website at:

www.cwib.ca.gov/special_committees/green_collar_jobs_council/gcjc_foundational_documents.

Summary of Activities

The Council is currently overseeing the implementation, with the intent to provide technical assistance, of the **California Green Workforce Initiative**, which consist of the following efforts:

- **California Clean Energy Workforce Training Program**; which consist of 34 grantees that were awarded \$27 million. This program, because of a 100% dollar match requirement, amounts to a \$54 million plus program.
- **Regional Industry Cluster of Opportunity Grants (RICO)**; which entails 10 regional initiatives that were awarded grants that ranged from \$200,000 to \$250,000, encompassing over 45 counties and 31 local workforce investment boards to develop data driven regional industry cluster strategies. RICO initiatives are required to be driven by industry cluster businesses and include a broad range of partners that includes economic development, education, and labor.

Greater Sacramento Regional Industry Cluster of Opportunity team will provide a panel to discuss their progress with the Council at its August 17, 2010 meeting.

- **State Energy Sector Partnership (SESP)**; California received a \$6 million dollar grant for the Council, as the SESP, to oversee the fostering of regional collaborations (Teams) that are responsive to the needs of their emerging (regional) green industries.

At its August 17, 2010 meeting, the Council will discuss if they wish to pursue the development of a **Green Workforce Master Plan**. This workforce development plan would entail the shared and complimentary objectives that are found in the plans and strategies that have been developed by the Council's partner agencies (CA Air Resources Board, CA Energy Commission, CA Public Utilities Commission, and etc.)

Additionally, the Council directed staff to begin considering the "packaging" of California's business resources that will help send a message to encourage businesses to invest in California and in the green economy. To this end, State Board staff is collaborating with the California Air Resources Board, California Energy Commission, Labor and Workforce Development Agency, and Governor's Office of Economic Development in a project titled **The State Business Support Resources Portfolio (Portfolio)**. The Portfolio will begin a process that will develop a catalog of state resources to support business planning, financing, and other supportive services. The Portfolio will serve as a tool that can be utilized by websites (e.g., Green Portal) and representatives of efforts that are intended to engage businesses to support regional economic competitiveness (e.g., RICO initiatives). First phase of data gathering will occur from August 16 through September 17, 2010.

Next Steps for the Council

- October 21-22, 2010 will be the second RICO action clinic that will provide technical assistance regarding the second (Joint Priority Setting) and third (Leveraged Funding Strategies) phases of RICO the methodology.

Moreover, the second day (October 22) will be an opportunity for the 10 RICO teams to share with state level stakeholders their regional priorities and developing leveraged funding strategies. This will provide further opportunities to identify shared objectives and the opportunity to leverage resources among RICO initiatives and stakeholders.

- The next scheduled Council meeting is November 16, 2010.

Issues and Policy Special Committee Report August 2010

This report provides an update on the activities and results of the Issues and Policies Special Committee (Committee). The report outlines the issues and strategies the Committee is pursuing, as well as recommendations and products the Committee is proposing for presentation to the full California Workforce Development Board (State Board) for approval.

Special Committee Membership

Ed Munoz, Chair
Felicia Flourney
Stewart Knox
Adam Peck
Richard Rubin
Audrey Taylor

Victor Franco, Vice Chair
Faye Huang
Elvin Moon
Tim Rainey
Barry Sedlik

Committee Mission Statement

Our mission is to provide advice, counsel and recommendations to the full California Workforce Investment Board that improve Local Workforce Investment Boards' (LWIB) ability to provide world-class services to constituents; and to provide overall strategic recommendations to the full Board in identifying the most critical priorities.

Summary of Activities

The Committee has met twice since the last State Board meeting. Those items that are being recommended by the Committee for the full Board's action are:

- Waiver Request for the Eligible Training Provider List Initial Eligibility Determination for Postsecondary Educational Institutions and Entities Carrying Out Apprenticeship Programs, and
- Policy document for implementation of the Incumbent Worker Training Waiver
- Retaining the current policy and procedure for the Governor's biennial recertification of Local Workforce Investment Boards.

These documents are attached to this Committee Report.

Next Steps

The Committee continues to work on the following items:

- ✓ The development and implementation of a dashboard reporting system to report expenditures and monitor performance of the workforce system.
- ✓ Review and make recommendations to modify the State Board's policy for LWIBs eligible for annual exemplary performance grants.
- ✓ Evaluate and make recommendations to modify the criteria for LWIBs to be eligible for high concentration of youth grants.
- ✓ Streamlining and refining of the state-level process for LWIBs to apply for additional assistance grants.
- ✓ Development of planning guidance for the local plan modification for Program Year 2010-2011

The next meeting is scheduled for October 7, 2010 in Sacramento

**STATE OF CALIFORNIA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

**Eligible Training Provider List (ETPL) Initial Eligibility Determination
Postsecondary Educational Institutions and Entities
Carrying Out Apprenticeship Programs**

The California Workforce Investment Board (State Board) and the Employment Development Department, as the administrative entity of the WIA in California, submit this request for a waiver of WIA Section 122(b)(1), which requires postsecondary institutions and entities offering apprenticeship programs to submit applications to each Local Workforce Investment Board (Local Board) for each program offering to be listed on the ETPL. This waiver will apply to Program Year 2010.

In keeping with the guidelines set forth at WIA Section 189(i)(4)(B) and 20 Code of Federal Regulations (CFR) Part 661.420(c), please accept the following as a request for waiver.

A. Statutory or Regulatory Requirements to be Waived

The WIA Section 122(b)(1) and 20 CFR 663.515(b) require that training providers desiring to be determined and listed as initially eligible to receive funds made available under WIA Section 133(b) for the provision of training services, submit an application to the local board through a locally described application process. Additionally, this requirement is stipulated in 20 CFR 663.505(b). The state policies implementing these WIA provisions are described in WIA Directive [WIAD06-15](#), published February 7, 2007.

For a majority of institutions of higher learning that meet the initial eligibility criteria described in WIA Section 122(a)(2)(A-B), the administrative burden imposed by the local application process has hindered their participation and the listing of a wide range of training programs which are otherwise available to the general public.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

This waiver request seeks to further implement in California, the national direction as communicated in TEGL 13-06 and the Governor's WIA State Plan priority for the Workforce Investment System of Collaborating to Improve California's Educational System at All Levels. The goal of this waiver is to allow those institutions determined initially eligible under the WIA Section above, that have available program data, to apply to the State rather than the Local Board for listing on the ETPL.

The action will increase customer choice by providing a more comprehensive list of available training options in the local communities, maximize the use of funding resources available for use in individual training accounts for eligible adult and dislocated workers, and reduce training costs through the leveraging of resources currently within the workforce and education systems.

Finally, this waiver would also expand and enhance an existing partnership and collaboration between the local and state workforce investment boards and the publicly funded education system – a goal that is otherwise impeded without this waiver, and reduce the administrative burden and cost of managing the ETPL at the local and state levels by facilitating a state-level data transfer to list these educational programs on the statewide list.

C. State or Local Statutory or Regulatory Barriers

There are no known State or local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Wavier

All WIA eligible adults and dislocated workers that receive services under this program, as well as business customers, will benefit from the waiver.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

The waiver was published for thirty days on the State Board website for the public comment period. The four public comments received are attached to this Waiver Request. The comments were considered, and where appropriate were included in the body of the Waiver Request. On May 17th, the State Board's Issues and Policy Committee approved it for publication and recommended it be forwarded to the full State Board for their review and approval. If approved by the Department of Labor the current ETPL policy/procedures will be modified, as necessary, to include this waiver.

ETPL WAIVER COMMENTS

COMMENTS	COMMENT	RESPONSE
Eve Sutton (San Mateo County)	<p>State-wide eligibility is much more efficient and economical than requiring each provider to list with every local board in the state of California. I am trying to become a provider, and I agree—it is far too difficult (and useless) to require each provider to register with each local board.</p> <p>Related thought: The local boards might be more responsive to individual communities, but connecting all the providers state-wide would reduce a lot of hassles. Having one central registry would help to have some kind of central communication so providers and state-wide administrators or coordinators could talk to everyone (distribute news and solicit comments) all at once. If Provider X has a course or service that could serve the workers who are referred by Provider Y, we should have some way to get these two connected so they can work together.</p>	<p>The California Workforce Investment Board (State Board) agrees that a state-wide eligibility list is more efficient and economical.</p>
Robert Mejia (South Bay WIB)	<p>We understand there are certain administrative benefits to the award of the waiver recommended above. We believe, however, that such a waiver circumvents local approval policies and criteria for WIA approved education and training providers and tends to delimit local board control and knowledge of entities approved for WIA training and education services in local areas.</p> <p>If it is the intent of the State to pursue such a waiver, and if it is determined to be in the broader best interest of the State's workforce system to do so, we offer the following comments regarding such a waiver.</p> <ul style="list-style-type: none"> • This waiver should in no way supersede, suspend, abridge, or otherwise preclude a local board's ability to establish local policy for the approval of training and education providers under the Workforce Investment Act. • The waiver, if approved, should apply only to public institutions under 122(a)(2)(A) offering programs that lead to an associate degree, baccalaureate degree, or certificated, and to public institutions authorized under 122(a)(2)(B). • This waiver should in no way prescribe the conditions, methods by, or criteria under which local boards may contract with a public entity to which the proposed waiver applies if approved by the U. S. Department of Labor. 	<p>WIA requires one state-wide ETPL. Certain public educational institutions are considered under WIA to be eligible providers. This waiver recognizes the foregoing and ensures all qualified programs are included on the state-wide ETPL.</p> <p>The waiver will not interfere or abridge any local protocols. It merely places qualified programs, already deemed initially eligible by the WIA, on the state-wide ETPL. It will apply only to public institutions in accordance with WIA.</p>

<p>John Deltatier (Proteus)</p>	<p>As a private, non-profit 501c3 organization, Proteus would comment that this waiver request, while drawn to achieve a laudable goal, is drawn too narrowly. Proteus would comment that the waiver should say: Paragraph 2 of Boded Section A of the waiver request should be altered to say that...WIA Section 122(a)(2)(A, B and C where any agency listed under C would also have to be accredited by WASC).</p> <p>There are many fine private institutions that are WASC accredited that offer an educational experience every bit as fine as our California Community Colleges. We should not discriminate against them.</p>	<p>The WIA provides for initial eligibility of post-secondary programs outlined in Section 122. WIA does not prescribe the same eligibility for other public or private training programs but requires the Governor to establish a procedure for use by local boards for determining the initial eligibility of such programs.</p> <p>A “program of training services” is defined in 20 CFR Section 663.508 as: “One or more courses or classes, that upon successful completion, leads to 1) a certificate, an associate degree, or baccalaureate degree or 2) the skills or competencies needed for a specific job or jobs, an occupation, occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training.”</p> <p>WASC certification addresses the educational entity in its entirety, not the individual programs offered by it. The eligibility of individual programs is performed by the local boards in administering the provisions of the Governor’s policy.</p>
<p>Pam Lassetter (FRWIB Assistant Director)</p>	<p>Fresno has reviewed the proposed waiver requests and has the following input: The only waiver we are concerned with is the Eligible Training ETP Initial Eligibility Determination.</p> <p>The Fresno WIB has developed standardized processes to facilitate public education training programs on our local list. The issue we have is the State approving this-the timeliness is too long. Secondly, the FRWIB does not put all programs on the list.-they may be above our payment limit, or not be an occupation the FRWIB has adopted with our sector based strategy. We have targeted 8 sectors for high wage-high growth jobs. Thirdly, we on a monthly basis evaluate the performance of entered employment for all training programs and place any on hold locally that do not meet our mandated performance requirements. – Yes we hold training programs to the same performance standards as our Contracted One Stop Providers.</p>	<p>The waiver applies to the WIA required state-wide ETPL. There is nothing in the waiver requiring a local board to use a particular program. This waiver does not supersede local protocols.</p>

ISSUE PAPER

Incumbent Worker Training Waiver Guidance

Action Requested

The State Board adopt the guidance developed by the Incumbent Worker Training Waiver Workgroup.

Background

On June 30, 2010 the U.S. Department of Labor (DOL), Employment and Training Administration (ETA) granted California's waiver request to permit a portion of the funds reserved for rapid response activities to be used for Incumbent Worker Training (IWT). Specifically, the State is permitted to use up to 20 percent of rapid response funds for IWT only, and only as part of a lay-off aversion strategy. All training delivered under this waiver is restricted to skill attainment activities and is effective through June 30, 2011.

Additionally, ETA extended approval for a waiver to allow Local Workforce Investment Areas (local area) to conduct IWT with local Workforce Investment Act (WIA) formula funding. Under this waiver, local areas may use up to 10 percent of local Dislocated Worker funds and up to 10 percent of local Adult funds for IWT only as part of a lay-off aversion strategy. Use of Adult funds must be restricted to serving lower income adults under this waiver. This waiver is extended through June 30, 2011.

The first waiver has yet to be implemented in California as the U.S. Department of Labor requires states to develop criteria for waiver implementation. A workgroup formed by the Issues and Policies Committee under the California Workforce Investment Board collaborated to develop policies/criteria needed to implement the first IWT waiver. This guidance may also be used by local areas to continue implementation of the extended waiver.

Benefits of Incumbent Worker Training and Lay-off Aversion:

Incumbent worker training can be an effective lay-off aversion component of a state's or region's rapid response effort. To help avert lay-offs, local areas need maximum flexibility to implement IWT in rapidly transitioning industries; driven by changing national and state policy (i.e. health care reform and climate change legislation), global competitiveness, and innovation. Small and medium sized employers in these industries require frequent workforce skills upgrading. Without customer-driven incumbent skills training, the workforce in these industries is at risk of displacement.

Lay-off aversion allows an employer to retain workers in the same position, or transition to a different position with retooled skills at a comparable wage. As a strategy, this lets workers maintain financial stability compared to the loss of income and drawing unemployment compensation if laid off. It also allows for these workers to transition to a different employer to obtain financial stability. Retaining a known reliable worker can

save employer costs associated with severance pay and reduce other costs such as an increase to an employer unemployment insurance compensation tax rates.

ETA considers a lay-off averted when:

- 1) A worker's job is saved with an existing employer that is at risk of downsizing or closing; or
- 2) A worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences no or a minimal spell of unemployment.

Definition of Incumbent Worker:

The California Workforce Investment Board approved the following definition of Incumbent Worker at its May 19, 2010 meeting:

"an employee of the business applying for incumbent worker training in accordance with the WIA."

California's Local Workforce Investment Areas are well positioned to work with labor organizations and economic development agencies to identify employers at risk of downsizing or closure due to economic or competitive pressures. Local areas can also work with employers, worker advocates, including labor organizations and training providers, in implementing IWT to avert lay-offs. These determinations may vary depending on the local area's resources, population, business activity, the Local One Stop's connections to their business community, geography, etc.

Federal Guidance:

Training and Employment Guidance Letter (TEGL) 26-09 instructs states and local areas to consider the following when determining the potential for lay-offs and determining the provision of IWT:

- The likelihood of future lay-offs without the training;
- The business circumstances surrounding the probable lay-off, and how the training will prevent it;
- The specific skills to be provided to the workers that will help prevent the lay-off or reduce the magnitude of a large lay-off
- How employers will be identified, i.e. knowledge gained by contact with State and Local WIBs, Chambers of Commerce or Economic Development Councils, media, or another indicator of a company that is at risk of lay-off, particularly due to lack of a company's ability to compete because of its employee skill-base; and/or
- Any targeted industries and economic sectors.

State level guidance is meant to meet the Federal requirements and give the local system as much flexibility as possible in administering the IWT waivers. ETA plans to monitor states' use of IWT waivers to determine if IWT was delivered to avert lay-offs, as well as performance outcomes for any individual served under the waivers. Therefore, states also must report performance outcomes for any individuals served under this waiver in the [Workforce Investment Act Standardized Record Data](#) (WIASRD). In addition to the guidance provided in [TEGL 26-09](#) and [TEGL 30-09](#), local areas may use the following general guidelines and suggestions to document their determination that IWT was appropriate.

Identification of Employers with the Potential for Lay-offs:

- Referral or contact from local city or county economic development agencies, chambers of commerce, labor organizations, small business development agencies, or other entities.
- Through connection with employers in a proactive and regular manner to identify their business needs.
- Through strong relationships with business management and labor representatives to encourage businesses to approach local areas before lay-offs.
- Use commercial business credit information such as [Dun and Bradstreet](#).
- Identification of rapidly transitioning industries using The Employment Development Department's (EDD) [Labor Market Information Division](#) (LMID) reports, regional industry sector studies, academic studies, or other credible data information sources.

Identification of Workers in need of Training:

- Use the [Worker Adjustment and Retraining Notification Act](#) (WARN) as a way to identify not only workers *currently* in need of assistance, but to also identify workers who may need training in a struggling business *in the future*.
- Through regional and local collaborative efforts among local areas, employers, industry organizations, education and training institutions, labor organizations, community advocates, academic institutions, and other partners focused on addressing the workforce challenges of rapidly transitioning industries.
- Surveys and studies conducted by organizations or intermediaries such as the National Institute of Standards and Technology (NIST) [Manufacturing Extension Partnership](#) (MEP) may help to identify specific skill sets workers will need in order to remain employed.
- Data from other organizations including chambers of commerce, Small Business Development Centers, labor organizations, and surveys and studies commissioned by local areas.

Identification of Incumbent Worker Training Needs within Industries:

- Identify new or changing regulations that require a change in technology, software, waste reduction, energy conservation, etc.
- Identify changing skill requirements as a result of external economic or market forces, significant changes in operating processes, rapidly changing industry or occupational job requirements or emergence of new products.
- Direct communication with employers or joint labor-management committees such as joint apprenticeship training committees (JATCs).
- Use of industry recognized skills standards and curriculum
- Use the EDD LMID or other credible data industry projections to identify industry trends.

Approval of Local Workforce Investment Board Recertification Process

Action Requested

The Issues and Policy Committee recommends the State Board retain the current policy and criteria for the biennial recertification of Local Workforce Investment Boards.

Background

Section 117(c)(2) of the Workforce Investment Act of 1998 (WIA) and the California Unemployment Insurance Code Section 14200(b) (SB293) require the Governor to recertify one LWIB for each Local Workforce Investment Board (LWIB) once every two years. WIA Section 117(c)(2)(B) specifies that a LWIB may be recertified if it has met the required board membership and performance criteria.

This biennial recertification cycle is to be completed by December 31, 2010 and will be for another two years beginning January 1, 2011. For the last recertification cycle, the Employment Development Department (EDD) issued directive [WSD08-7](#) dated November 4, 2008. The directive required specified information to be submitted at a date certain. The directive restated the criteria for recertification; namely, meeting the requirements for Local Workforce Investment Board (LWIB) membership requirements and performance criteria. The performance criteria required the LWIBs to meet five out of six common measures in the adult and dislocated worker categories. The youth common performance measures were not included due to the significant program redesign necessitated by adopting the new measures. The directive stated that for future recertification the youth common measures would be included in the performance criteria. Two forms were required to be submitted to document compliance with WIA: (1) a listing of each LWIB member by category and a calculation that required percentages of business and labor members had been achieved, and (2) a functional self-certification attesting to the LWIB's performing its statutory functions.

Other States' Recertification Processes

Research was performed regarding how other states conduct the recertification process. The results are reported below:

- **New Jersey:** This state has an entire handbook on how to run a LWIB/LWIA. The section on LWIB membership, appointment process and filling vacancies was reviewed. For example, individuals nominated must reasonably represent the industrial and demographic composition of the business community and representatives from proprietary schools may not be considered a business sector member. The appointment process is defined as a joint effort of Local Elected Officials, the business community, the local community, and labor federations. The organizations that may nominate LWIB members are specified. Vacancies are expected to be filled within 60 days. The guidance also includes a certification checklist, which is more extensive than California's.

- **Oklahoma:** This state just published new direction on the current two year certification process occurring in that state. It is quite extensive. It begins by describing why recertification is important and some goals of LWIBs. It specifies some general policies regarding membership. Namely, the diversity of the LWIB membership should match the diversity levels within the LWIA and LWIB membership should represent key industry sectors, key community and economic development leaders, diversity of the LWIA, and LWIA geographically. Then it restates the membership requirements of WIA. The guidance also spells out the requirement for separation of LWIB, WIA Title I provider and LWIB staff and requires documentation that the LWIB staff is not on the service provider's payroll. The guidance then goes on to describe other requirements for recertification that are similar to California's local plan modification process, such as collaboration with economic development, regional sector strategies, revitalize youth councils, and continuous improvement activities. Decertification guidelines are also specified. Documentation is due March 1, 2010 for this cycle.
- **Maryland:** The state directive covers biennial recertification for two years beginning July 1, 2009. It basically restates WIA law and provides forms to document recertification.
- **South Carolina:** This state used a facilitated meeting process to arrive at the standards and the implementation process. Guiding principles were developed, which were similar to Oklahoma's. The points highlighted were strategic planning, resource alignment, support of a quality one-stop system, support for youth, LWIB funding oversight, and fiscal and performance accountability. Finally, timelines were established.

Alternatives

1. **Status Quo (Modified):** Revise and republish Directive WSD08-7 to restate the past recertification process whereby a membership roster and ratio calculations were required along with a self-certification checklist of performing statutory functions. However, it will be necessary to modify the performance criteria to include the youth common measures. Consequently, instead of meeting five out of six common measures, it will be necessary to meet eight out of nine common measures.

Pro:

- This alternative meets WIA requirements.
- The criterion is objective and is simple to administer.
- EDD can quickly and efficiently process the required forms and determine the performance criteria.

Con:

- It is the absolute minimum and does not measure other criteria, such as how the LWIBs are meeting State Plan objectives, State Board policies or their local plans.

2. **Expanded Recertification:** Expand the recertification process to include measures of achieving State Plan objectives and support of State Board initiatives, such as sector strategies. This could be accomplished by requiring LWIBs to certify and document achieving the objectives of their local plans since current EDD directives regarding local plan modification require these plans to address specific statewide objectives. Documentation of achieving local plan objectives provides an indirect measure of support for and achieving statewide policies and goals. Continue to request information regarding LWIB memberships and expand performance measures to include youth common measures. Require meeting 8 out of 9 common measures for recertification.

Pro:

- LWIBs will have to demonstrate more than achieving just membership requirements and performance criteria.
- It will require LWIBs to meet definable goals of supporting State Plan and State Board priorities for recertification.
- It provides a method to measure performance beyond the common measures by demonstrating achieving local plan objectives.
- It improves upon requiring only the minimum.

Con:

- This alternative is more complex and requires greater administrative effort to accomplish.
- It is somewhat duplicative of the local plan modification process as it will require some of the same information.
- The criteria are subjective.

Recommendation

The Committee recommends retaining the current State Board policy, to include the addition of the youth performance measures. While the Committee recognizes the value of this information, it concluded that this local information may be more clearly delineated through the local plan modification process.

Item 5

**Information Presentation -- Information and Communications
Technology Digital Literacy Action Plan**

**Mr. Bill Maile, Director of Communications, Office of State
Chief Information Officer**

**Ms. Sunne McPeak, President and CEO, California
Emerging Technology Fund**

Item 6 -- Public Comment

Item 7 -- Other Business